

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF TEXAS

In re United Development Funding IV  
Securities Litigation

Master File Case No.: 3:15-cv-4030-M

(Consolidation of Civil Action Nos.  
3:15-cv-04030-M, 3:15-cv-04055-M, and  
3:16-cv-00456-M)

Honorable Barbara M.G. Lynn

MARK HAY and PAUL BROWN,  
individually and on behalf of all others  
similarly situated,

Civil Action No.: 4:16-cv-00188-M

Plaintiffs,

v.

UNITED DEVELOPMENT FUNDING  
IV, et al.,

Defendants.

**JOINT STATUS REPORT**

Lead Plaintiff Louis J. D’Annibale and Plaintiffs Mark Hay and Paul Brown (collectively, “Plaintiffs”), and Defendants United Development Funding IV (“UDF IV”) and United Development Funding Income Fund V (“UDF V”), together with their affiliates, including UMT Services, Inc., UMTH General Services, L.P., UMTH Land Development, L.P., UMT Holdings, L.P., UDF Holdings, L.P., UDFH General Services, L.P., and UDFH Land Development, L.P., and certain current or former officers and/or trustees of UDF IV and/or UDF V, Steven J. Finkle, J. Heath Malone, Phillip K. Marshall, Hollis M. Greenlaw, Todd Etter, Cara D. Obert, David A. Hanson, Scot O’Brien, Brandon Jester, Michael K. Wilson, Ben L. Wissink, Eustace W. Mita and Melissa H. Youngblood, as well as Whitley Penn, LLP, AR Capital, LLC,

American Reality Capital Residential Advisors, LLC, Nicholas S. Schorsch, Edward M. Weil, William M. Kahane, Peter M. Budko, Brian S. Block, Centurion American Development Group and Mehrdad Moayedi, by and through their respective counsel, respectfully report as follows in response to the Court's Order of June 28, 2018 [Dkt. No. 68]:

1. On March 19, 2018, the Lead Plaintiff D'Annibale and Defendants Greenlaw and Obert notified the Court [Dkt. No. 64] that all parties to these now-consolidated proceedings had executed memoranda of understanding or other writings which, subject to the preparation of final settlement documentation and preliminary and final Court approval after notice to settlement class members, would fully resolve all claims asserted in these proceedings.

2. Since that date, the parties have exchanged successive drafts of their settlement including a Stipulation of Settlement, proposed Preliminary Approval Order, Internet Long Form Notice, Summary Notice, Postcard Notice, Claim Form, and proposed Final Judgment. In the course of the drafting process, the parties have encountered an unanticipated technical obstacle to the implementation of one of the elements of their proposed settlement. The affected parties have been working diligently to surmount or eliminate this obstacle in a mutually satisfactory manner. Although they have made significant progress, the affected parties have not yet resolved this issue. They expect to do so shortly, however, and when the remaining issue is resolved they will be in a position to submit the required documentation promptly.

3. Accordingly, the Parties respectfully report that they anticipate that they will be in a position within 30 days to submit documentation of their proposed settlement for the Court's consideration.

Dated: July 13, 2018

Respectfully submitted,

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